D/CR

CONFIDENTIAL SECURITY INFORMATION

DEPARTMENT OF STATE

DECLASSIFIED

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY _____ DATE 14 MAY 1982
RDS☐or XDS☐EXT. DATE
TS AUTH. _____ REASON(S)
ENDORSE EXISTING MARKINGS ☐
DECLASSIFIED☐ RELEASABLE☑
RELEASE DENIED☐
PA or FOI EXEMPTIONS

Memorandum of Conversation (TELEPHONE)

DATE: February 4, 1953

SUBJECT: Detwiler Plan for Gold Coast Development

PARTICIPANTS: L. E. Detwiler, President, United American Management Corporation
AF - Mr. Cyr

Transmitted to Field (Form DS)
to: London, Accra
for: Info
By: ERB Date: 2-6-53

COPIES TO: S - Mr. O'Connor
NEA - Mr. Hadsel
H - Miss Kirlin
AF - Mr. Feld
ED - Mr. Smith
AMCONSUL - Accra, Gold Coast, W.Africa
AMEMBASSY - London (Palmer)

1--1493

Yesterday Mr. Detwiler came to my office at his own request to discuss his Plan for participation in the management of the Volta River project. In his letter of January 22 transmitting the Detwiler Plan to Secretary Dulles, he states that he and Dr. Bond "have been authorized by the Prime Minister (Nkrumah) to pursue further this matter, which involves a proposed self-liquidating loan of approximately $600,000,000 from the U. S. Government to the Gold Coast Government." He did not show me the letter, but asked for advice as to how to proceed.

I informed him that government-to-government loans are made through normal diplomatic channels, which in this case would include the British. Mr. Detwiler said he had hoped that there might be some other way to pursue the matter, since his plan is in competition with the British plan for Volta River development. I indicated that I knew of no other way to pursue a government-to-government loan.

Today Mr. Detwiler called me on the telephone to say that he had discussed his Plan with several Senators, whom he did not identify,

and

DC/R
Rev.

158053

CONFIDENTIAL SECURITY INFORMATION

DECLASSIFIED

CS/H CONFIDENTIAL FILE

FILED
MAR 24 1953

845K.2514/2-453

and that it seemed agreed that government-to-government loans must be handled through diplomatic channels. He said it had been suggested, however, that a modification in the Detwiler Plan would make it possible to avoid diplomatic channels. It had been suggested, according to Mr. Detwiler, that if one or two of the interested American corporations could obtain a concession from the Gold Coast Government covering the Volta River project, such corporation or corporations could then apply to DMPA for a loan for its or their own account. He cited a case in Jamaica where this procedure had been followed in connection with an ECA loan to an American company. He said that he has an appointment at 3:15 p.m. today to discuss this matter with Vice President Nixon.

I reminded Mr. Detwiler that my comments yesterday had been predicated on his original Plan, which involved a government-to-government loan, and informed him that I was not familiar with the procedure for DMPA loans to private companies. I thanked him for keeping me informed and he said he will let me know the results of his meeting with the Vice President.

In both yesterday's and today's conversations with Mr. Detwiler, I had in mind the report of January 14 which the Department has received from our Consul in Accra stating that Prime Minister Nkrumah was not impressed with Mr. Detwiler and Dr. Bond and was not interested in his proposition of making American capital available in connection with the Volta River project. The report also states that the Prime Minister could not attempt to alter the financial arrangements as presently contemplated with the British.

I am informed that Assistant Secretary Morton will apprise the Vice President of the substance of the report from our Consul in Accra.

loc.
NEA:AF:LGCyr:sdt

DECLASSIFIED